

FAS-930

U.S. DEPARTMENT OF AGRICULTURE
Foreign Agricultural Service

TRADE ADJUSTMENT ASSISTANCE (TAA) FOR FARMERS
PETITION FOR CERTIFICATION AND ELIGIBILITY FOR A GROUP OF PRODUCERS

NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is the Trade Adjustment Assistance for Farmers, (Pub. L. 107-210). The information will be used to determine program eligibility. Furnishing the requested information is voluntary. Failure to furnish the requested information will result in denial of program benefits. This information may be provided to other agencies.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0551-0040. The time required to complete this information collection is estimated to average 6 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. **RETURN THIS COMPLETED FORM TO THE ADDRESS LISTED BELOW.**

Please complete all requested information in this form and return it to the following address:

U.S. Department of Agriculture
Import Policies and Programs Division/FAS
1400 Independence Ave., S.W.
Stop 1021
Washington, DC 20250-1021

If you need assistance, telephone 202-720-2916 or e-mail
your questions to trade.adjustment@fas.usda.gov.

1. Name of Authorized Representative or Primary Contact Adin A. Hester		2. Name and Business Address (Including City, State, and Zip Code) Olive Growers Council 121 East Main, Suite 2 Visalia, CA 93290 93291	
3. Telephone Number (Including Area Code) 559-734-1710			
4. Fax Number (Including Area Code) 559-625-4847		5. E-Mail Address adin@goldstate.net	
6. This petition is made on behalf of the following producers: (Use separate sheet for additional producers)			
A. Name of Producers	B. Mailing Address	C. Telephone No. (Including Area Code)	D. E-Mail Address

7. COMMODITY INFORMATION:

A. Description of the raw (excludes processed) agricultural commodity: (eg., fresh raspberries)		B. Commodity's Harmonized Tariff Schedule (HTS) number (HTS can be found at: http://www.fas.usda.gov/ustrade/)	
FRESH TABLE OLIVES		2005705030	2005706030
		2005705060	2005706050
		2005706020	2005706060
C. This petition is for the most recent marketing year for the commodity beginning in <u>8-1-03</u> and ending <u>7-31-04</u> (month/year) (month/year)			
D. Check whether the certification is to cover a commodity produced nationally or in an "impacted" area (state or states): <input type="checkbox"/> National <input checked="" type="checkbox"/> State(s) (list): <u>CALIFORNIA</u>			

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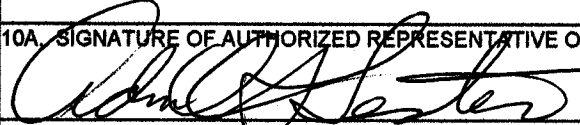
8. If Item 7D "National" is checked, provide the national average annual price for the most recent marketing year and the 5 preceding marketing years. If Item 7D "State(s)" is checked to indicate that the petition is for an impacted area, provide the relevant average price for the most recent marketing year and the 5 preceding years, and specify the months being averaged if the price is for less than 12 months (seasonal price).

(NOTE: National price data is available for many raw agricultural commodities from the Department's National Agricultural Statistical Service (NASS) at: www.usda.gov/nass.)

A. Marketing Years		B. Average Annual Price				
Most recent	2003	\$ 412.46 (-34.54%)				
Provide prices for the 5 years prior to the most recent marketing years. Beginning with the most recent.		1 Year ago:	2 Years ago:	3 Years ago:	4 Years ago:	5 Years ago:
		2002	2001	2000	1999	1998
		\$ 621.49	\$ 696.49	\$ 721.99	\$ 457.78	\$ 490.00

9. Basis for request for adjustment assistance. Please explain or attach any documents, which show how increased imports have affected the national price of your product during the most recent marketing year. In your description include any other factors which may also have contributed to lower producer prices.

PLEASE REFER TO ATTACHED [REDACTED] LETTER
OF EXPLANATION AND SUPPORTING DOCUMENTATION.

10A. SIGNATURE OF AUTHORIZED REPRESENTATIVE OR PRIMARY CONTACT 	10B. TITLE President	10C. DATE SIGNED 9/23/03
11A. SIGNATURE OF FAS REPRESENTATIVE	11B. TITLE	11C. DATE



September 22, 2003

U.S. Department of Agriculture
Import Policies and Programs Division/FAS
1400 Independence Ave., S.W.
Stop 1021
Washington, D.C. 20250-1021

Re: Trade Adjustment Assistance (TAA) for Farmers
Petition for Certification and Eligibility for a Group of Producers

To Whom It May Concern:

The Olive Growers Council is respectfully requesting consideration for inclusion under the Trade Adjustment Assistance for Farmers by submitting this petition for Certification and Eligibility for our producer members.

The California olive industry is being seriously impacted and is suffering some of the worst economic times since 1978 when growers were paid enough to harvest their crops (\$175.00 per ton) and nothing to cover production cost. Now in 2003, growers and processors are again facing this same situation - a heavy inventory buildup (nearly one year's supply); a strong olive crop to be harvested (estimated at 115,000 - 130,000 tons); and increased market displacement by foreign table olive imports.

Spain is the largest olive exporter to the U.S. disguising oil olive varieties as sliced black ripe table olives for the food service industry. Second largest exporter to the U.S. is Morocco.

Spain shipped to the U.S. the equivalent of 37,995 tons for the 12 month marketing year ended August 31, 2003. Morocco shipped 13,356 tons. In addition, Mexico exported 8727 tons of table olives to California during the same period.

Following are the statistics as reported by the U.S. Customs Service of foreign black ripe olive tons being sold in the U.S.

	<u>Style</u>	<u>Net Reported Tons</u>	<u>Actual Gross Tons</u>
Spain: Food Service:	Whole & Pitted	4,351	
	Sliced	22,033	
	Chopped & Wedged	<u>1,351</u>	
	Total	27,735	37,995

Morocco:	Whole & Pitted	45	
	Sliced	8,050	
	Chopped/Wedged	<u>1,654</u>	
	Total	9,749	13,356
Mexico	Fresh for Processing		<u>8,727</u>
Total Gross Imported Olive Tons (Black Ripe)			60,078 **
California Gross Ton Sales of Black Ripe Olives			92,454

**The above figures are adjusted to gross tons because U.S. Customs reports on net drained weight basis whereas California tons are reported on a gross ton (whole olive including pit). The factor used for adjusting is 1.37 % which adds back the weight loss from pitting and slicing olives.

The above statistics are prepared and reported by the California Olive Committee, Fresno, California and U.S. Customs Service, Washington D.C. The olive report above is dated for the marketing year ended **August 31, 2003** which represents the total tons of black ripe olives shipped into the U.S. market along with sales and inventory of California olives.

The California olive farmers are suffering because of the increased market share being taken by foreign imported black ripe olives, particularly Spain who enjoys huge amounts of E.U. olive support payments. Under current conditions (2003), the estimated 115,000 - 130,000 tons of domestic crop will add 15-16 months to a current inventory of 10 months supply.

Average sales for California farmers has dropped from approximately 105,000 to per year down to 92,000 tons which represents annual losses of market share of 5 - 10 % points each year from foreign table olives.

Economic Impact on the California Olive Farmer

California olive farmers have watched their "farm gate" price for olives drop from \$721.99 per ton down to an estimated value of \$412.46 per ton for the 2003 crop.

Current cash cost to produce an acre of olives is \$800 - \$1000 per acre which does not include overhead, debt service or taxes. Harvest cost is averaging over \$300 per ton. Average yields are projected at 4 ton per acre with the state average of 30 acres per farmer. The math works out as follows:

Cost to Produce One Acre of Olives	\$ 900
Cost to harvest 4 tons/ acre @ \$300	<u>1200</u>
Total Cost Per Acre	\$ 2100
Gross Income @ \$ 400 per ton	<u>\$ 1600</u>

Net Loss Per Acre

\$ 500

This above example simply means that the average farmer will lose approximately \$15,000 off his 2003 olive crop.

U.S. table olive markets are not only being impacted by increased foreign tonnage but also by significantly cheaper prices for food service sales. The most popular product is a # 10 (one gallon) can of black ripe sliced olives. The California product needs to sell at \$25 per case whereas foreign olives are selling for \$ 15 - \$16 per case landed U.S.

With the European Union announcing continued high olive subsidies to their growers, processors and shippers, the California industry is suffering untold hardship. Growers are now beginning to remove olive trees, some of which are over 100 years old. Olive trees will grow and produce for several centuries. This situation is both sad and tragic because the black ripe olive process was invented and developed by Mrs. Freida Ehmann of Oroville in the early 1900's. California growers and processors grew the business with their sweat equity, money, a high quality product and strong promotional effort. Now, thanks to foreign subsidies, foreign growers and processors are displacing the domestic product which is the domestic industry out of business. California cannot compete under current economic conditions with cheap imported product and keep ahead of our increasing cost to produce, harvest and process California black ripe olives.

The California olive industry is truly an "endangered commodity."

Supporting Documentation Attached

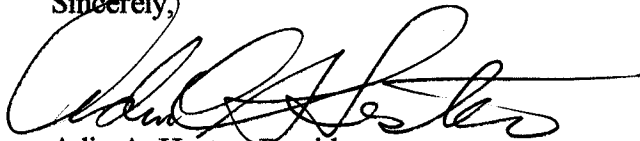
California Olive Committee Monthly Olive Report @ 8-31-03	Exhibit One
U.S. Customs Import Data for 12 months ending 8-31-03	Exhibit Two
U.S. Versus Imported Olive Sales: Calendar Year 2002	Exhibit Three
Total Black Ripe Olive Sales: % Gain/Loss Domestic vs Import	Exhibit Four
Table Olive Production by Country	Exhibit Five
Spanish Table Olive Tonnage by Year	Exhibit Six
California Table Olive Tons by Year	Exhibit Seven

On behalf of our entire Olive Growers Council membership, we are submitting this request for Certification and Eligibility for Olive Producers in California.

If there are any questions regarding this application, please call 559-734-1710.

Thank you.

Sincerely,



Adin A. Hester, President

CC: Congressman Devin Nunes
COG Board of Directors

CALIFORNIA MONTHLY OLIVE REPORT

Released: September 18, 2003

Summary Report - Sales
Month Ending August 31, 2003
Converted 24/300 Case Basis

Item	Monthly Sales			Year-to-Date Sales			Consecutive 12-Month Sales		
	02/03	01/02	% Change	02/03	01/02	% change	02/03	01/02	% change
Total	1,048,560	1,007,200	4.11	1,048,560	1,007,200	4.11	14,330,461	14,493,171	-1.12
Markets									
Consumer	679,038	648,499	4.71	679,038	648,499	4.71	10,082,817	9,899,182	1.86
Food Service	369,522	358,700	3.02	369,522	358,700	3.02	4,247,644	4,593,989	-7.54
Styles									
Whole	4,395	3,865	13.71	4,395	3,865	13.71	49,047	61,251	-19.92
Pitted	614,739	579,887	6.01	614,739	579,887	6.01	9,161,630	9,095,562	0.73
Wedged	6,190	7,975	-22.38	6,190	7,975	-22.38	76,569	84,432	-9.31
Sliced	378,924	376,940	0.53	378,924	376,940	0.53	4,473,944	4,638,211	-3.54
Chopped	35,964	31,904	12.72	35,964	31,904	12.72	458,009	514,307	-10.95
Broken Pitt	8,348	6,629	25.94	8,348	6,629	25.94	111,262	99,409	11.92
Key Items									
24/300 Pitt	508,790	473,155	7.53	508,790	473,155	7.53	7,965,468	7,847,877	1.50
6/10 Pitt	102,154	100,284	1.86	102,154	100,284	1.86	1,143,122	1,173,588	-2.60
6/10 Sliced	255,927	245,511	4.24	255,927	245,511	4.24	2,962,947	3,179,128	-6.80
24/300 Whole	2,191	1,971	11.16	2,191	1,971	11.16	28,790	40,720	-29.30
6/10 Whole	2,204	1,882	17.08	2,204	1,882	17.08	20,226	20,194	0.16
6/10 Wedged	6,108	7,975	-23.41	6,108	7,975	-23.41	74,047	82,029	-9.73
2.25 Sliced	73,582	70,935	3.73	73,582	70,935	3.73	847,475	811,966	4.37
4.5 Chopped	30,184	26,273	14.88	30,184	26,273	14.88	370,483	362,147	2.30

Summary Report - Packout and Inventory
Month Ending August 31, 2003
Converted 24/300 Case Basis

Item	Monthly Packout			Year-to-Date Packout			Inventory		
	02/03	01/02	% change	02/03	01/02	% change	02/03	01/02	% change
Total	1,335,466	1,165,662	14.57	1,335,466	1,165,662	14.57	7,108,997	6,846,510	3.83
Markets									
Consumer	913,006	919,941	-0.75	913,006	919,941	-0.75	4,820,554	4,125,468	16.85
Food Service	422,459	245,721	71.93	422,459	245,721	71.93	2,288,443	2,721,042	-15.90
Styles									
Whole	4,432	5,545	-20.08	4,432	5,545	-20.08	57,744	66,920	-13.71
Pitted	758,178	733,219	3.40	758,178	733,219	3.40	4,687,679	4,564,149	2.71
Wedged	9,820	0	0.00	9,820	0	0.00	42,870	39,673	8.06
Sliced	514,793	390,411	31.86	514,793	390,411	31.86	1,967,642	1,977,821	-0.51
Chopped	42,804	28,471	50.34	42,804	28,471	50.34	285,357	143,870	98.34
Broken Pitt	5,439	8,016	-32.14	5,439	8,016	-32.14	67,704	54,078	25.20
Key Items									
24/300 Pitt	719,715	701,197	2.64	719,715	701,197	2.64	3,936,740	3,530,965	11.49
6/10 Pitt	38,463	28,967	32.78	38,463	28,967	32.78	703,807	988,120	-28.77
6/10 Sliced	373,429	211,189	76.82	373,429	211,189	76.82	1,490,243	1,576,709	-5.48
24/300 Whole	1,517	2,115	-28.27	1,517	2,115	-28.27	37,932	31,889	18.95
6/10 Whole	2,915	3,430	-15.02	2,915	3,430	-15.02	19,442	34,733	-44.02
6/10 Wedged	7,334	0	0.00	7,334	0	0.00	40,438	35,048	13.38
2.25 Sliced	71,318	145,839	-51.10	71,318	145,839	-51.10	248,570	213,274	16.55
4.5 Chopped	42,804	26,335	62.53	42,804	26,335	62.53	244,117	99,774	144.67

Approximate Supply in Converted Cases

Total Inventory	7,108,997
Converted Storage	4,544,750
Approximate Supply	11,653,747

EXHIBIT "2"

CALIFORNIA OLIVE COMMITTEE
1903 NORTH FINE #102 FRESNO CA 93727

US CUSTOMS IMPORT DATA (U.S. TONS)
12 MONTHS ENDING JULY 31, 2003

FOOD SERVICE: containing more than .3 KG
RETAIL: containing less than .3 KG

2002-03 CROP YEAR	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	TOTAL
BULK IMPORTS													
MEXICO	6,739	1,521	109	0	0	0	0	0	0	0	0	368	8,727
SPAIN	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER	0	0	0	1	0	0	0	0	0	0	0	0	1
CANNED IMPORTS													
FOOD SERVICE: WHOLE & PITTED													
SPAIN	232	215	297	303	285	307	235	375	270	231	159	184	3,093
MOROCCO	12	0	2	5	0	0	7	0	11	11	0	0	46
OTHER	37	34	22	39	57	41	21	69	83	74	72	56	604
TOTAL	280	250	321	347	342	347	263	444	363	316	231	239	3,744
RETAIL: WHOLE & PITTED													
SPAIN	81	157	142	128	221	78	55	128	91	55	57	66	1,268
MOROCCO	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER	1	0	0	1	0	1	34	20	2	6	9	0	76
TOTAL	82	157	142	129	221	79	89	148	93	61	67	66	1,333
SLICED													
SPAIN	1,807	1,633	1,887	2,036	1,800	1,737	1,838	2,416	1,778	1,760	1,400	1,941	22,033
MOROCCO	782	243	477	654	820	889	398	1,064	813	888	738	501	8,050
OTHER	100	82	26	70	87	61	145	146	251	84	165	187	1,388
TOTAL	2,689	1,959	2,390	2,760	2,508	2,688	2,382	3,626	2,841	2,713	2,304	2,629	31,469
CHOPPED/WEDGED													
SPAIN	100	94	169	143	121	94	67	67	182	70	155	90	1,351
MOROCCO	52	17	42	103	62	41	156	323	197	123	232	206	1,654
OTHER	0	0	0	14	8	0	10	2	0	0	0	2	36
TOTAL	152	112	211	260	189	135	233	393	379	193	387	297	2,940
TOTAL CANNED	3,203	2,477	3,064	3,497	3,260	3,229	2,967	4,611	3,676	3,282	2,989	3,231	39,486
TOTAL	5,680	4,444	6,744	12,241	15,501	18,730	21,687	26,308	29,984	33,266	36,255	39,486	62,873

2001-02 CROP YEAR	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	TOTAL
BULK IMPORTS													
MEXICO	6,273	5,685	966	0	0	0	0	0	0	0	0	445	13,370
SPAIN	0	21	0	0	0	0	0	0	0	0	0	1	22
OTHER	3	0	1	0	0	0	0	0	0	0	0	0	4
CANNED IMPORTS													
FOODSERVICE: WHOLE & PITTED													
SPAIN	251	228	250	234	260	332	274	437	301	243	179	248	3,236
MOROCCO	80	0	12	9	10	80	23	0	0	0	0	4	217
OTHER	44	28	52	88	121	40	56	57	100	47	27	24	684
TOTAL	375	255	313	331	391	452	353	494	402	290	206	276	4,137
RETAIL: WHOLE & PITTED													
SPAIN	166	126	132	144	93	184	92	105	87	21	114	134	1,398
MOROCCO	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER	7	3	8	3	14	0	11	19	13	0	4	0	82
TOTAL	173	129	139	147	107	184	103	124	100	21	118	134	1,480
SLICED													
SPAIN	1,610	1,356	1,314	1,320	1,579	1,485	1,619	2,101	1,781	1,764	1,836	1,642	19,407
MOROCCO	937	186	313	686	820	604	889	1,205	838	1,024	742	985	9,241
OTHER	52	10	44	21	10	31	0	31	36	16	33	40	324
TOTAL	2,600	1,553	1,670	2,027	2,410	2,120	2,508	3,337	2,655	2,804	2,612	2,677	28,973
CHOPPED/WEDGED													
SPAIN	10	0	52	31	109	102	42	166	37	166	185	99	999
MOROCCO	208	94	62	62	194	104	118	28	175	170	88	306	1,610
OTHER	2	0	0	0	1	5	0	2	0	2	3	3	19
TOTAL	221	94	114	94	305	211	160	196	213	338	276	408	2,626
TOTAL CANNED	3,368	2,031	2,236	2,599	3,213	2,967	3,124	4,151	3,369	3,453	3,212	3,495	37,218
TOTAL	3,368	5,399	7,635	10,234	13,447	16,414	19,538	23,689	27,058	30,512	33,723	37,218	64,384

*Grower Ton Equivalent: See reverse side

EXHIBIT "2"

8728

54,095

62,82

13,346

50,988

64,384

U.S. Total Ripe Olive Sales
Domestic vs. Imported
Calendar Year 2002 – Grower Fruit Tons

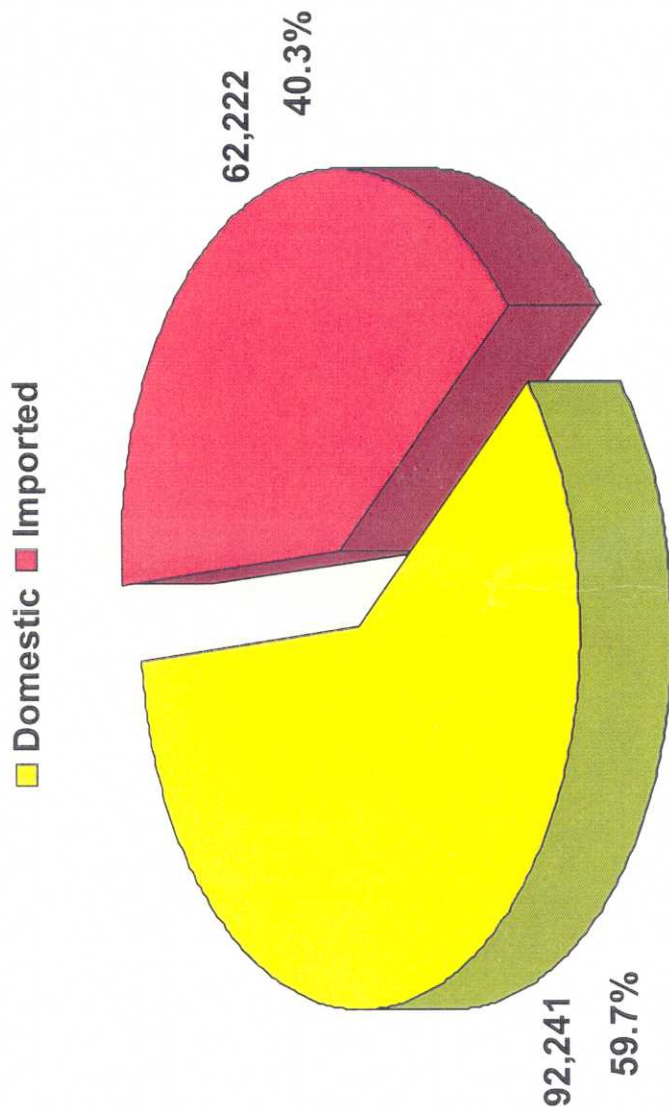


EXHIBIT "4"

U.S. Total Ripe Olive Sales % Gain / Loss of Domestic vs Imported Crop Years 2000 thru 2003 10 Mo. YTD

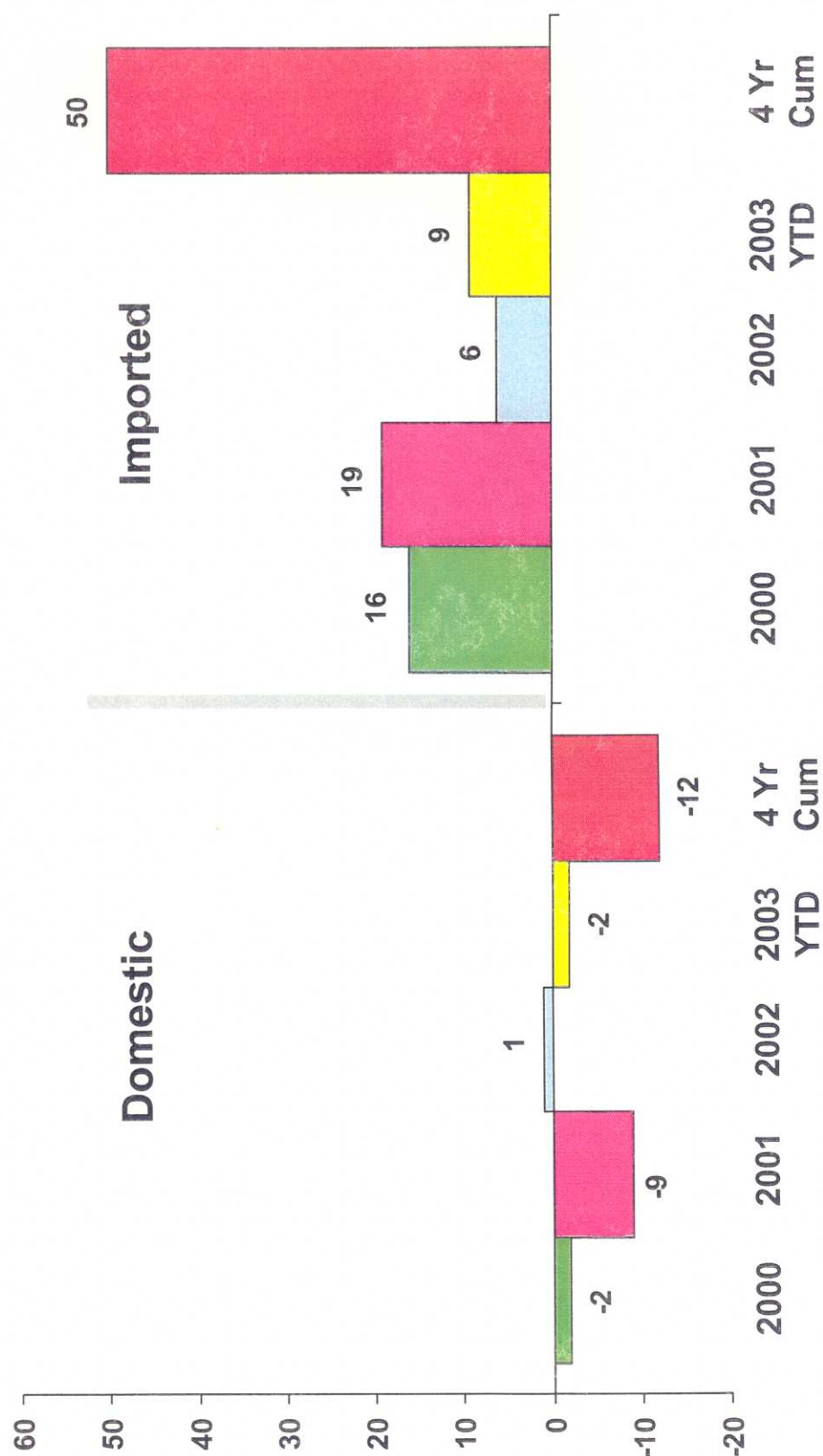
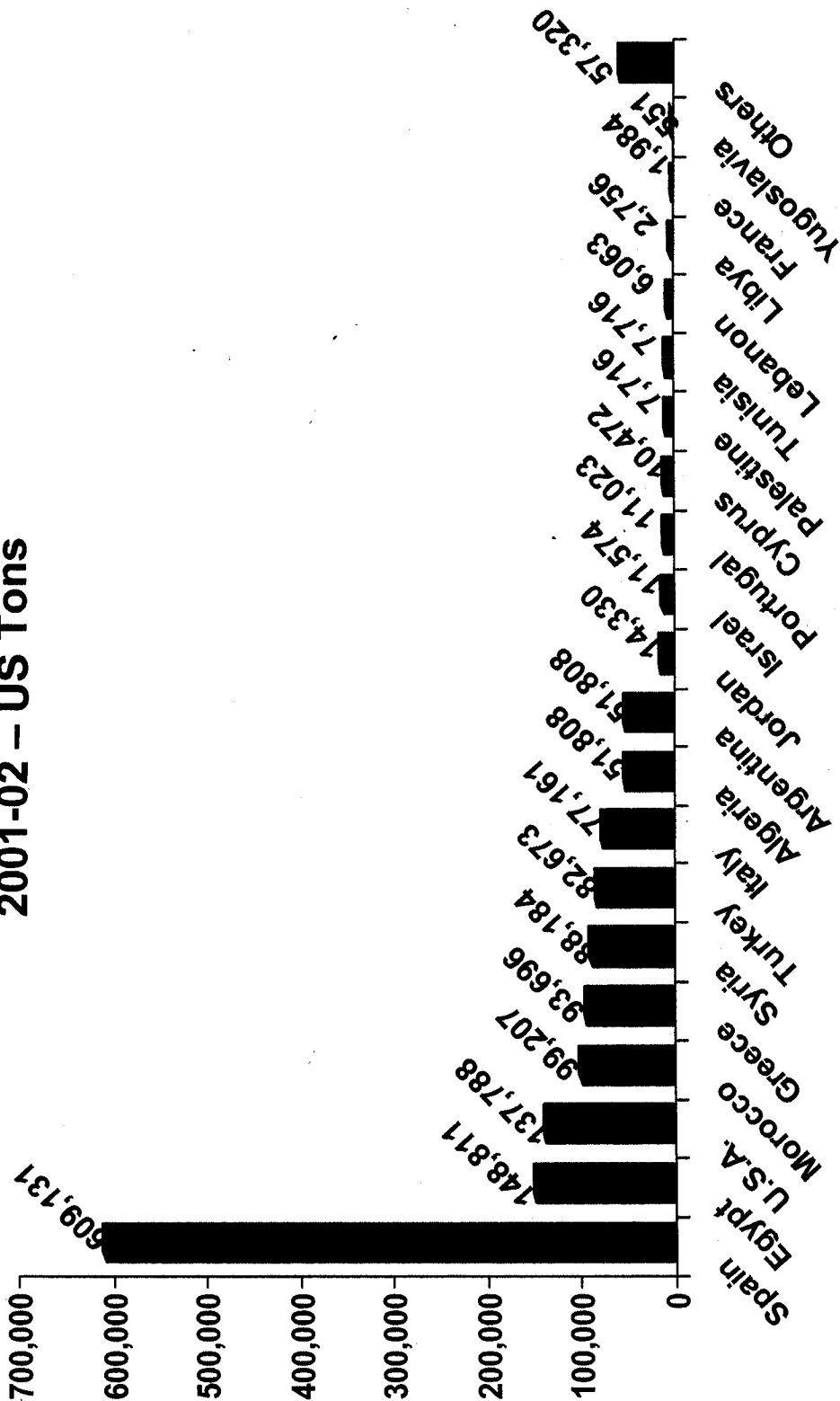


Table Olive Production by Country

2001-02 - US Tons

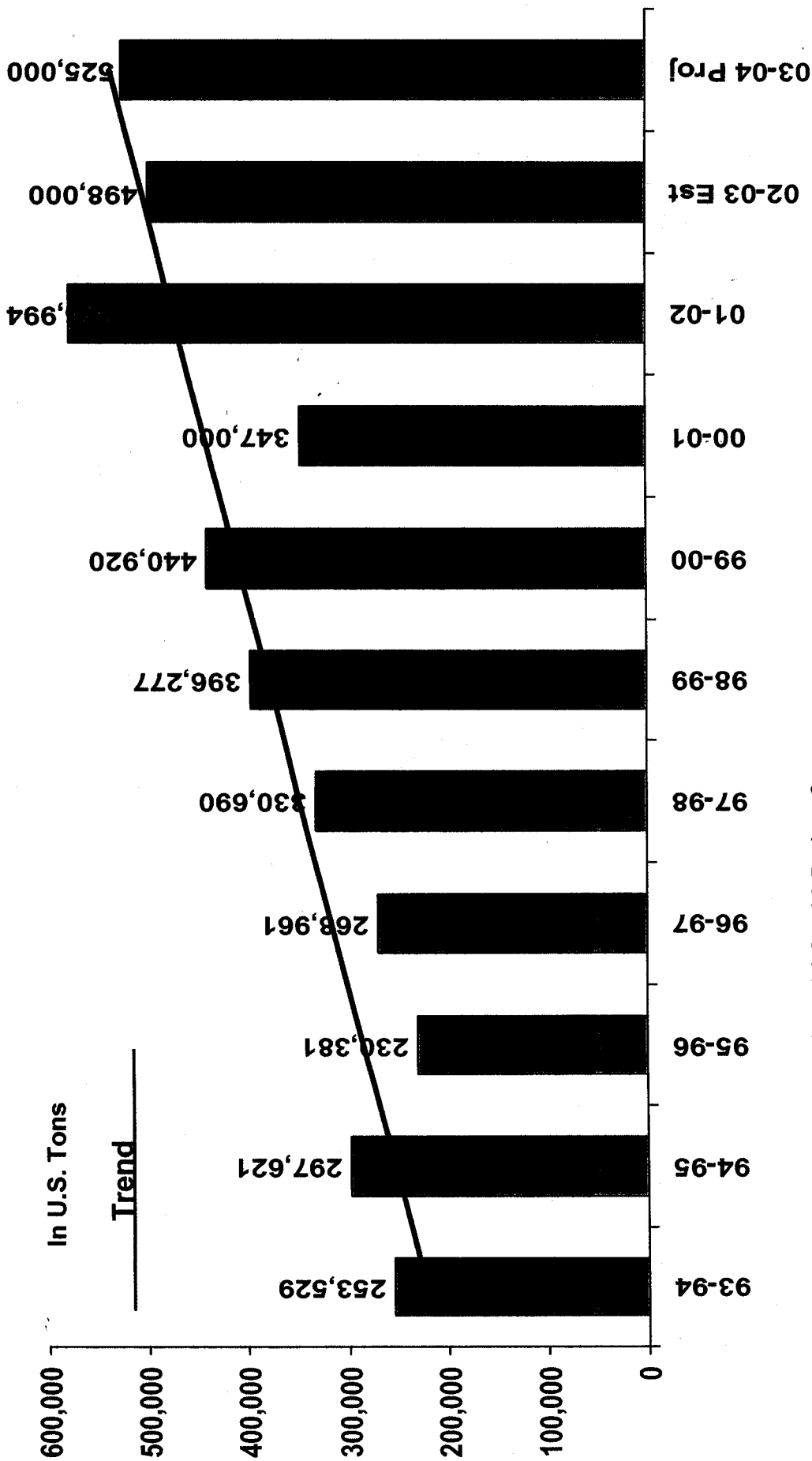


Source: Int'l Olive Oil Council - Olivae Jun 02

EXHIBIT "S"

EXHIBIT 5

Spain Table Olive Crop Tonnage



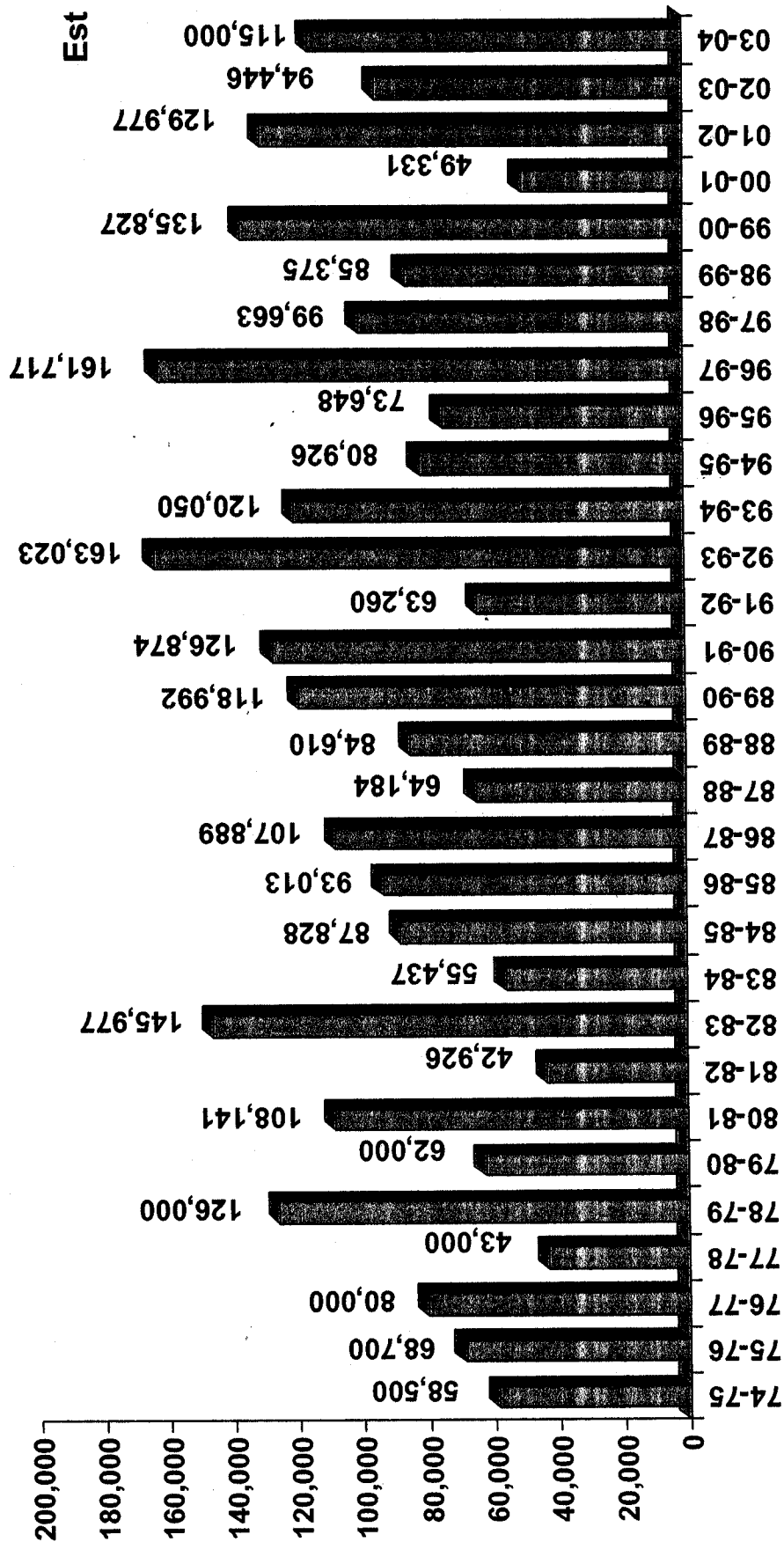
Source: IOOC 07-00, Annual Agricultural Statistics (MAPA) & Spanish Producer Sources

EXHIBIT "6"

EXHIBIT 6

California Olive Crop

Tons



Source: California Olive Committee / Olive Growers Council / CASS & Industry Estimates Rev K 08-03

EXHIBIT "7"